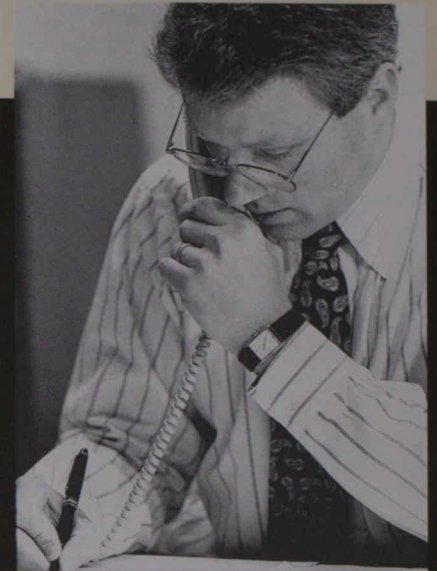


Merck Frosst begins \$65 million gear-up for international product mandate

Allister MacDonald,
Merck Frosst's
Director of Public Affairs



It's been a big year for U.S.-based Merck & Company's Canadian subsidiary. In mid-1995, the pharmaceuticals company announced a five-year, \$65-million modernization and expansion of its production facilities. Within months came another milestone of growth: Merck Frosst's announcement that it would expand its research capability at Kirkland, Quebec, with the construction of a \$7 million chemistry process laboratory.

The new facilities will enable Merck Frosst to meet the requirements of a new international product mandate which the company won in competition with other establishments in the Merck world.

More growth is on the horizon, according to President Paul Howes, who hints that the new mandates are the first steps in an expansion of the plant's role in Merck's global strategy. "With this modernization and our increased capacity," he says, "we will be assuming more product responsibilities for the North American market."

Under its new product mandate, the plant will manufacture MEVACOR™, a major Merck anticholesterol medicine, for the Canadian market and also for some markets in Europe. The new process chemistry lab will produce limited quantities of newly developed pharmaceuticals, developed at Kirkland, for use in international clinical trials.

In a recent interview with *Canada Investment News*, Allister MacDonald, Merck Frosst's Director of Public Affairs, said that the company's corporate parent selected Kirkland for its new roles from a field of world-class contenders. The production plant won its mandate in competition with seven Merck manufacturing sites throughout the world. And Merck chose Kirkland as the site for the new process laboratory from a field of six other research centres.

Merck Frosst contributes \$15 million to British Columbia genetic research centre

With gene therapy opening up a new era in medicine, construction has begun in Canada of a centre that houses some of the most advanced work in this field — the Centre of Molecular Research and Therapeutics at the University of British Columbia in Vancouver, B.C.

Development of the Centre is being supported by a Merck Frosst contribution of \$15 million, the largest single research grant made by the Merck organization, anywhere in the world. Research operations at the Centre have been under way since 1993. Merck is making its contribution as the major donor in a partnership arrangement involving the B.C. government, the University of British Columbia and the Vancouver Children's Hospital.



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